

## **Appendix A**

(Application for Approval as a Nonprofit Budget and Credit Counseling Agency)

### **Acknowledgments, Agreements, and Declarations in Support of Application for Approval as a Nonprofit Budget and Credit Counseling Agency**

**Name of Agency:** \_\_\_\_\_

The Agency hereby assures and certifies compliance with all applicable federal statutes, regulations, policies, guidelines, and requirements including, but not limited to, 11 U.S.C. §§ 109(h) and 111. The Agency also specifically assures, certifies, and agrees that:

1. It is in compliance with all applicable laws and regulations of each state, commonwealth, district, or territory of the United States in which the Agency seeks approval from the United States Trustee.
2. It is organized and operated as a nonprofit entity and has an independent board of directors, board of trustees, or other governing body the majority of which (i) are not employed by such Agency, and (ii) do not directly or indirectly benefit financially from the outcome of the counseling services provided by such Agency.
3. It will not engage in any conduct or transaction that generates or creates the appearance of generating a private benefit for any individual or group.
4. It will comply with the policies and directives of the United States Trustee and the Executive Office for United States Trustees, as may be issued from time to time.
5. It will make all records relating to the Agency's compliance with 11 U.S.C. § 111 available to the United States Trustee upon request and cooperate with the United States Trustee for any scheduled or unscheduled on-site visits and customer service audits.
6. No member of the board of directors or trustees, officer, manager, employee, counselor, or agent is a United States Trustee Program employee, a panel or standing trustee, a federal judge, a federal court employee, a certified public accountant that performs audits of the Agency's trust account, or a person with a financial or familial connection to the United States Trustee Program.
7. No Agency owner, employee, officer, insider or related party counselor, or member of the board of trustees, directors, or any other corporate governing body will receive any commissions, incentives, bonuses, or benefits (monetary or non-monetary) of any kind based on the outcome of a counseling session.
8. It will provide adequate credit counseling, which considers all alternatives to resolve a client's credit problems and includes an analysis of the client's budget, current financial condition,

factors that caused such financial condition, and how such client can develop a plan to respond to the problems without incurring negative amortization of debt.

9. It will provide counselors who have adequate experience and training to provide credit counseling services and who receive no commissions, incentives, bonuses, or benefits (monetary or non-monetary) based on the outcome of a counseling session.
10. Any fee, contribution, or payment received for counseling services will be reasonable in amount, and the Agency will provide services without regard to a client's ability to pay.
11. It will not exclude any creditor from a debt management plan because the creditor declines to make a "fair share" contribution to the Agency.
12. It will not disclose or provide to a credit reporting agency information concerning whether an individual debtor has received or sought instruction concerning personal financial management from the Agency.
13. It will not pay or receive referral fees or other consideration for the referral of clients to or by the Agency.
14. If administering debt repayment plans:
  - a. it will conduct a criminal background check for each person providing credit counseling services and shall not employ as a counselor anyone that has been convicted of a crime involving fraud, dishonesty, or false statements; and
  - b. it has adequate financial resources to provide continuing support services for debt repayment plans over the life of any plan, and it maintains client trust accounts that are audited annually in accordance with generally accepted auditing standards by an independent certified public accountant.
15. An approved Agency may state that it is approved to issue credit counseling services in compliance with the Bankruptcy Code. However, any advertisement that refers to such approval shall only be phrased in the following manner: *"Approved to issue certificates in compliance with the Bankruptcy Code. Approval does not endorse or assure the quality of an Agency's services."* An approved Agency will not use the United States Department of Justice's seal, the United States Trustee's seal, the Bankruptcy Court's seal, or any seal of the United States or a likeness thereof.

**I HEREBY DECLARE under penalty of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.**

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Signature

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Date